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Dear Planning Policy Team,

LANCASTER LOCAL PLAN: REGULATION 18 CONSULTATION CLIMATE CHANGE REVIEW

1. Thank you for consulting with the Home Builders Federation (HBF) on the Local Plan for Lancaster District (2020-2031): Climate Change Review (Regulation 18) consultation.
2. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.
3. The HBF notes that this Plan Review will not be revisiting the housing and employment land allocations or numbers and that the review will only consider climate change issues in the context of the planning system.

Strategic Policies and Land Allocations Development Plan

Policy CC1: Responding to Climate Change and Creating Environmental Sustainability

4. The Council have added a Strategic Climate Change Policy (Policy CC1), this policy states that all development should take opportunities to integrate the principles of sustainable design and construction into the design proposals. The Council state that the Plan Review will aim to assist the Council's ambition towards a reduction in carbon emissions to net zero by 2030.
5. The HBF generally supports sustainable development and considers that the homebuilding industry can help to address the climate change emergency challenges identified by the Council. However, the HBF considers that this policy is more of a statement of intent or vision rather than a policy and do not consider that it is necessary, and it repeats a lot of the elements of the policies that are detailed elsewhere in the Plan. The HBF recommends that this policy is deleted.



Policy SP9: Maintaining Strong and Vibrant Communities

6. The Council have added a section to this policy that looks for new development to be resilient to Climate Change, with a developments ability to mitigate and adapt to climate change as a golden thread.
7. The HBF generally supports the provision of low-carbon, energy efficient homes, that is in line with Government plans to introduce this through national standards and building regulations.

Policy T4: Public Transport Corridors

8. The Council has amended this policy to state that development that generates significant traffic movements (this is likely to include strategic housing allocations and potentially other residential developments) should be supported by frequent high quality public transport linking them to Lancaster City Centre or other key destinations, such as the main urban centres and employment areas. The Council are expecting support for new services to last for a period of 10 years from first occupation.
9. The policy does not set out how deficiencies in the existing services will be identified or how frequent high-quality services will be defined, in order for this to be an effective policy more detail will be required. The Council will need to consider the balance between reducing carbon emissions, active travel, public transport, low-carbon private vehicles and working from home. It may not be that going forward providing additional public transport is always the most sustainable option, or is only part of the most sustainable option. The HBF also notes that there may be significant costs that are associated with this requirement that will need to be considered in relation to the viability of development.

Development Management Development Plan

10. The Council have sought to amend and add policies to this document in relation to sustainable design and construction.

Policy DM3: The Delivery of Affordable Housing

11. The Council are seeking to amend this policy to refer to affordable homes for sale rather than intermediate tenure, in relation to affordable housing tenure mix.
12. The NPPF¹ states that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the total number of homes to be available for affordable home ownership. The Council will need to consider how this will work with their proposed split in the Morecambe, Heysham and Overton areas where the affordable housing target is 15% and the proposed tenure split would see only 40-50% of this as affordable homes for sale. If the Council does not intend to meet the 10% affordable home ownership requirement, then this will need to be evidenced.

¹ Paragraph 65

13. The PPG states that First Homes are the Government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations. This should be covered by the 40-50% affordable homes for sale tenure split.

Policy DM29: Key Design Principles

14. This policy has been amended to refer to the expectation for development to ensure opportunities for solar gain are maximised, that active travel is enhanced, to demonstrate how the development will maximise opportunities for accessible travel and promote sustainable and active travel, to incorporate green and blue infrastructure.
15. The HBF is generally supportive of the Council looking to support opportunities to maximise solar gain and thermal energy generation. However, the Council will need to ensure that these measures are balanced with other considerations such as site density, site layout, topography, heat resilience, site viability and deliverability.
16. The HBF does not consider that it is necessary for part VII to refer to the need to meet the requirements of Policy DM30c, it is assumed the Plan is to be read as a whole.
17. In relation to the green and blue infrastructure the HBF considers that the Council may want to reconsider the amendment to the justification text in paragraph 9.5 which changes the levels of provision to an expectation, the HBF is concerned that this inflexibility may not be appropriate when the Council are looking to ensure effective use of land and to promote active travel. The HBF consider that this amendment is not necessary. The HBF is also not clear what a development may need to provide in order to demonstrate that they have provided opportunities for food growing space or onsite composting, presumably the provision of a garden or outdoor space would offer these opportunities for any resident who wished to take them.

Policy DM30a: Sustainable Design

18. This policy states that development should contribute to both mitigating and adapting to climate change to reduce greenhouse gas emissions. It goes on to state that development proposals for all new residential development will be required to achieve a minimum 31% reduction in carbon emissions against Part L of the Building Regulations 2013, a minimum of a 75% reduction in carbon emissions against Part L by 01/01/2025 and net zero carbon emissions by 01/01/2028. It states that the carbon reductions must be met by using a fabric first approach and following the energy hierarchy.
19. The HBF recognises the need to move towards greater energy efficiency via a nationally consistent set of standards and timetable, which is universally understood and technically implementable. The Government Response to The Future Homes Standard: 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings dated January 2021 provides an implementation roadmap, the Government's aim is for the interim Part L (Conservation of fuel and power), Part F (Ventilation) & Overheating Regulations to be regulated for in late 2021 and to come into effect in 2022. The 2021 interim uplift will deliver homes that are expected to produce 31% less CO2 emissions compared to

current standards. To ensure as many homes as possible are built in line with new energy efficiency standards, transitional arrangements will apply to individual homes rather than an entire development and the transitional period will be one year. This approach will support successful implementation of the 2021 interim uplift and the wider implementation timeline for the Future Homes Standard from 2025. The Future Homes Standard will ensure that new homes will produce at least 75% lower CO2 emissions than one built to current energy efficiency requirements. By delivering carbon reductions through the fabric and building services in a home rather than relying on wider carbon offsetting, the Future Homes Standard will ensure new homes have a smaller carbon footprint than any previous Government policy. In addition, this footprint will continue to reduce over time as the electricity grid decarbonises.

20. The HBF supports the Government's approach to the Future Homes Standard but there are difficulties and risks to housing delivery given the immaturity of the supply chain for the production / installation of heat pumps, the additional cost associated with this and the additional load that would be placed on local electricity networks in combination with Government proposals for the installation of EVCPs in new homes.
21. In autumn 2020, the HBF established a Future Homes Task Force to develop workable solutions for the delivery of the home building industry's contribution to meeting national environmental targets and objectives on Net Zero. Early collaborative work is focussed on tackling the challenges of implementing the 2021 and 2025 changes to Building Regulations successfully and as cost-effectively as possible, in particular providing information, advice and support for SME developers and putting the customer at the centre of thinking.
22. On 27 July 2021, the Future Homes Delivery Plan was published (see [The Future Homes Delivery Plan – Summary of the goals, the shared roadmap & the Future Homes Delivery Hub](#)). To drive and oversee the plan, the new delivery Hub will be launched in September, with the support and involvement of Government. The Hub will help facilitate a sector-wide approach to identify the metrics, more detailed targets where necessary, methods and innovations to meet the goals and the collaborations required with supply chains and other sectors. It will incorporate the needs of all parties including the public and private sector and crucially, consumers, such that they can all play their part in delivering environmentally conscious homes that people want to live in.
23. The HBF considers that the Councils should comply with the Government's intention of setting standards for energy efficiency through the Building Regulations. The key to success is standardisation and avoidance of individual Council's specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. The Councils should not need to set local energy efficiency standards to achieve the shared net zero goal because of the higher levels of energy efficiency standards for new homes proposed in the 2021 Part L uplift and the Future Homes Standard 2025.

24. The HBF considers that this policy should be deleted and left for building regulations, avoiding the same set of requirements being considered twice, and potentially reaching differing conclusions.
25. The Council also state that a Sustainable Design Statement evidencing how the policy requirements are met must be submitted with a planning application, and this should include an energy statement, which provides evidence on amongst other elements the whole life cycle emissions. The HBF considers that requirements for a Sustainable Design Statement are unnecessary, however, if the Council does decide to go ahead with this requirement it should ensure that the requirement is not overly onerous and is proportionate to the scale of the development. The HBF would also query the need to consider the whole life cycle emissions. These emissions are related to the materials and products that go into making our buildings and infrastructure, and are likely to include emissions caused by: extraction, processing and manufacture; transport, assembly and installation on site; replacement, refurbishment and maintenance; demolition and disposal. Therefore, they are much wider than just the development industry and are not under the control of the applicant and may be difficult to detail or to influence.
26. The policy also states that proposals must include opportunities for low carbon energy and renewable technologies or other sustainability measures to be integrated into the build. And goes on to state that the design of buildings must facilitate climate adaptation and mitigation measures as well as ensuring that the structure and fabric can be retrofitted through the lifetime of the building.
27. The HBF is concerned about how the costs associated with this element of the policy and how this has been considered in the Council's Viability Assessment.

Policy DM30b: Sustainable Design and Construction – Water Efficiency

28. This policy seeks to introduce the optional water efficiency standards for new residential development. It states that all new residential development must achieve as a minimum the optional requirement set through the Building Regulations G2: Water Efficiency.
29. The Building Regulations require all new dwellings to achieve a mandatory level of water efficiency of 125 litres per day per person, which is a higher standard than that achieved by much of the existing housing stock. This mandatory standard represents an effective demand management measure. The Optional Technical Housing Standard is 110 litres per day per person.
30. As set out in the NPPF², all policies should be underpinned by relevant and up to date evidence, which should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned. Therefore, a policy requirement for the optional water efficiency standard must be justified by credible and robust evidence. If the Council wishes to adopt the optional standard for water efficiency of 110 litres per person per day, then the Council should justify doing so by applying the criteria set out in

² Paragraph 31

the PPG. PPG³ states that where there is a *'clear local need, Local Planning Authorities (LPA) can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day'*. PPG⁴ also states the *'it will be for a LPA to establish a clear need based on existing sources of evidence, consultations with the local water and sewerage company, the Environment Agency and catchment partnerships and consideration of the impact on viability and housing supply of such a requirement'*. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. The North West and Lancaster are not considered to be an area of Water Stress as identified by the Environment Agency⁵. Therefore, the HBF considers that requirement for optional water efficiency standard is not justified nor consistent with national policy in relation to need or viability and should be deleted.

Policy DM30c: Sustainable Design and Construction – Materials, Waste and Construction

31. This policy looks for all major development to demonstrate how they achieve sustainable and environmentally conscious development taking into account a number of principles. These include those in relation to the reuse and recycling of materials, the use of green / blue roofs and wall, the production of site waste management plans, the use of MMC, the production of a Sustainable Design Statement.
32. The HBF is generally supportive of the use of modern methods of construction (MMC). The home building industry is a progressive industry that has, for many years, adopted a range of innovative methods to improve the sustainability, efficiency and reliability of materials and processes in the lifecycle of a construction. This ranges from the use of digitally enabled house type designs delivered through partnerships with offsite manufacturers and the wider supply chain, to the use of new building methods or assemblies. Due to the variety of methods encompassed under the broad umbrella term, MMC, there can be confusion as to the true extent of MMC taking place in the homebuilding industry. Research published by the National House-Building Council (NHBC) Foundation back in 2016 found that the majority of house builders and housing associations are using, or have considered, at least one MMC approach within their recent build programmes. However, it should be noted that the ability to scale up the delivery of MMC is determined by external factors as well as the appetite of home builders.
33. The Council may also need to consider how the promotion of MMC would sit alongside the Council's other policies particularly those in relation to design or housing mix. As the need to create variety of individually designed homes for each authority or area within an authority, along with the appropriate mix of homes to meet the local need is often at odds with the volumetric construction required by MMC which requires repetitive or standardised designs in order to be effective.

³ ID: 56-014-20150327

⁴ ID: 56-015-20150327

⁵ 2021 Assessment of Water Stress Areas Update: <https://www.gov.uk/government/publications/water-stressed-areas-2021-classification>

34. As has been set out previously, the HBF considers that requirements for a Sustainable Design Statement are unnecessary, however, if the Council does decide to go ahead with this requirement it should ensure that the requirement is not overly onerous and is proportionate to the scale of the development.

Policy DM 33: Development and Flood Risk

35. This policy states that proposals will be required to reduce the existing causes and impacts of flooding by reducing surface water run-off and / or increasing the capacity of flood storage areas. It also states that opportunities must be taken to improve the function of watercourses and the opportunities must be taken to introduce the natural flood management techniques on and off the site to reduce flooding.
36. Whilst the HBF concur that seeking to reduce flood risk is laudable, this could be at considerable cost for any developments in these areas. This could potentially have a significant impact on the delivery of homes and will the HBF consider that the costs associated with this policy will need to be carefully considered as part of the viability of any development.

Policy DM34: Surface Water Run-Off and Sustainable Drainage

37. This policy requires all new development to use Sustainable Drainage Systems (SuDS) giving priority to naturalistic solutions incorporate into the soft landscaping of the development. It goes on to set out the drainage hierarchy and to lists the elements that the SuDS must incorporate, it states that on greenfield sites the peak run-off rate and volume must not exceed the existing greenfield rates.
38. The NPPF⁶ already looks for major developments to incorporate sustainable drainage systems unless there is clear evidence that this would be inappropriate. The HBF agrees that wherever practicable, it is important to incorporate SuDS within planned major development schemes in line with the NPPF. SuDS can improve the quality of life in a development by making them more visually attractive, sustainable and more resilient to change, by improving urban air quality, regulating building temperatures, reducing noise and delivering recreation and educational opportunities. However, it will be important for the Council to be flexible in relation to how SuDs are provided as devising an appropriate layout is going to require a very careful balancing exercise of many competing factors, particularly in relation to other planning policy requirements, the efficient use of land and the individual site circumstances.

Policy DM53: Renewable and low carbon energy generation

39. The policy states that where feasible, new major development should connect to existing district heating or cooling networks or provide new networks.
40. The HBF does not consider it is necessary to make more connections to the heat network. Heat networks are one aspect of the path towards decarbonising heat, however currently the predominant technology for district-sized communal heating networks is gas combined heat and power (CHP) plants. Over 90% of district networks are gas fired. As 2050 approaches, meeting the Government's climate target of reducing greenhouse

⁶ Paragraph 169

gas emissions to net zero will require a transition from gas-fired networks to renewable or low carbon alternatives such as large heat pumps, hydrogen or waste-heat recovery but at the moment one of the major reasons why heat network projects do not install such technologies is because of the up-front capital cost. The Council should be aware that for the foreseeable future it will remain uneconomic for most heat networks to install low-carbon technologies.

41. Furthermore, some heat network consumers do not have comparable levels of satisfaction as consumers on gas and electricity networks, and they pay a higher price. Currently, there are no sector specific protections for heat network consumers, unlike for people on other utilities such as gas, electricity or water. A consumer living in a building serviced by a heat network does not have the same opportunities to switch supplier as they would for most gas and electricity supplies. All heat network domestic consumers should have ready access to information about their heat network, a good quality of service, fair and transparently priced heating and a redress option should things go wrong. Research by the Competition and Markets Authority (CMA) found that a significant proportion of suppliers and managing agents do not provide pre-transaction documents, or what is provided contains limited information, particularly on the on-going costs of heat networks and poor transparency regarding heating bills, including their calculation, limits consumers' ability to challenge their heat suppliers reinforcing a perception that prices are unjustified. The monopolistic nature of heat networks means that future price regulation is required to protect domestic consumers. The CMA have concluded that "a statutory framework should be set up that underpins the regulation of all heat networks." They recommended that "the regulatory framework should be designed to ensure that all heat network customers are adequately protected. At a minimum, they should be given a comparable level of protection to gas and electricity in the regulated energy sector." The Government's latest consultation on heating networks proposes a regulatory framework that would give Ofgem oversight and enforcement powers across quality of service, provision of information and pricing arrangements for all domestic heat network consumers.

Policy DM62: Vehicle parking provision and electric vehicle charging points

42. This policy looks for all new development to provide as a minimum one charging unit for each dwelling with an associated space and 20% of communal parking spaces. The policy has also been amended to state that where garage provision is provided these should include an internal space of at least 6m by 3m that can also accommodate cycle storage appropriate for the dwelling size.
43. The HBF is supportive of encouragement for the use of electric and hybrid vehicles via a national standardised approach implemented through the Building Regulations to ensure a consistent approach to future proofing the housing stock. The Department of Transport held a consultation on Electric Vehicle Charging in Residential & Non-Residential Buildings, which ended on 7th October 2019.
44. This consultation set out the Government's preferred option to introduce a new functional requirement under Schedule 1 to the Building Regulations 2010, which is expected to come into force in 2020/2021. The inclusion of EVCP requirements within the Building

Regulations 2010 will introduce a standardised consistent approach to EVCPs in new buildings across the country. The requirements proposed apply to car parking spaces in or adjacent to buildings and the intention is for there to be one charge point per dwelling rather than per parking space. It is proposed that charging points must be at least Mode 3 or equivalent with a minimum power rating output of 7kW (expected increases in battery sizes and technology developments may make charge points less than 7 kW obsolete for future car models, 7 kW is considered a sufficiently future-proofed standard for home charging) fitted with a universal socket to charge all types of electric vehicle currently on the market and meet relevant safety requirements. All charge points installed under the Building Regulations should be un-tethered and the location must comply with the Equality Act 2010 and the accessibility requirements set out in the Building Regulations Part M. The Government has estimated installation of such charging points add on an additional cost of approximately £976.

45. The Government has also recognised the possible impact on housing supply, where the requirements are not technically feasible. The Government's recent consultation proposed introducing exemptions for such developments. The costs of installing the cables and the charge point hardware will vary considerably based on site-specific conditions in relation to the local grid. The introduction of EVCPs in new buildings will impact on the electricity demand from these buildings especially for multi-dwelling buildings. A requirement for large numbers of EVCPs will require a larger connection to the development and will introduce a power supply requirement, which may otherwise not be needed. The level of upgrade needed is dependent on the capacity available in the local network resulting in additional costs in relation to charge point instalment. The Government recognises that the cost of installing charge points will be higher in areas where significant electrical capacity reinforcements are needed. In certain cases, the need to install charge points could necessitate significant grid upgrades, which will be costly for the developer. Some costs would also fall on the distribution network operator. Any potential negative impact on housing supply should be mitigated with an appropriate exemption from the charge point installation requirement based on the grid connection cost. The consultation proposes that the threshold for the exemption is set at £3,600. In the instances when this cost is exceptionally high, and likely to make developments unviable, it is the Government's view that the EVCP requirements should not apply and only the minimum Energy Performance of Buildings Directive requirements should be applied.
46. In conclusion, it is not necessary for the Council to specify provision of EVCPs because of the Government's proposed changes to Building Regulations.
47. The requirement for cycle storage within the garage provision is not entirely clear, it is not clear whether this is assumed to be included within the already stated size of 6m by 3m or whether there is an extra requirement, or whether alternate forms of provision would be considered appropriate.

Appendix D

48. This shows that the dwelling thresholds have changed for on and off-site provision for open space. It is not clear what the evidence is for this change and why it is considered

appropriate. It is also not clear whether the viability implications of this change have been considered.

Future Engagement

49. I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

50. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Harding', written in a cursive style.

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